REMARKS

In response to the Office Action mailed August 30, 2007, Applicant has amended the application as above. No new matter is added by the amendments as discussed below. Applicant respectfully requests the entry of the amendments and reconsideration of the application in view of the amendments and the remarks set forth below.

Discussion of Claim Amendments

Claims 1-25, 29 and 31-32 have been cancelled. Claim 26 has been amended. Upon the entry of the amendments, Claims 26-28 and 30 are pending in this application. The amendments to Claim 26 are supported, for example, by original Claims 29 and 31, and the specification at paragraphs [0169], [0172] and [0181]. Thus, the amendments to the claims do not introduce any new matter. Entry of the amendments is respectfully requested.

Discussion of Obviousness-Type Double Patenting Rejection

The Examiner has rejected Claims 26-31 under the judicially created doctrine of obviousness-type double patenting as being unpatentable over Claims 1-19 of U.S. Patent No. 6,984,731. In an effort to advance the prosecution of this application, Applicant has enclosed herewith a Terminal Disclaimer which removes any basis for an obviousness type double patenting rejection.

Discussion of Claim Rejections Under 35 U.S.C. § 103(a)

Claims 26-31 have been rejected under 35 U.S.C. 103(a) as being unpatentable over Hanna, et al. (U.S. Patent No. 6,228,213) in view of Zhuang (U.S. Patent No. 5,371,207). Applicant respectfully submits that pending Claims 26-28 and 30 are allowable over the cited prior art as discussed below.

Standard of Prima facie Obviousness

The Patent and Trademark Office has the burden under section 103 to establish a *prima* facie case of obviousness. In re Piasecki, 745 F.2d 1468, 1471-72, 223 USPQ 785, 787-87 (Fed. Cir. 1984). To establish a *prima* facie case of obviousness, however, prior art (as opposed to prior art references) must teach or suggest all the claim limitations. "Examination Guidelines for

Determining Obviousness Under 35 U.S.C. §103 in View of the Supreme Court Decision in KSR International Co. v. Teleflex Inc." Federal Register Vol. 72 No. 195 at 57528 (October 10, 2007). Further, the Patent Office must explain why the differences between the prior art and the claimed invention would have been obvious to one of ordinary skill in the art. Id.

Discussion of Patentability of Pending Claims

Claim 26, as amended, recites, among other things, "steaming a material selected from one or more of bagasse, kenaf, reeds and rice straw in a pressure vessel in a sub-critical state at a temperature of about 150 to 350°C. and a pressure of about 15 to 29 MPa for about 10 to 30 minutes to obtain a mixture of a solid product and a solution product, wherein the solid product comprises cellulose, wherein the solution product comprises soluble hemicelluloses and polyphenol converted from lignin separated from lignocelluloses, and wherein the sub-critical state is such that the solid product and the solution product are obtained from the material solely due to the temperature and pressure conditions of the state." Applicant respectfully submits that neither Hanna nor Zhuang teaches or suggests the above-recited features of Claim 26.

Hanna teaches a first step wherein corncobs are extruded in an extruder at 90-200°C with a water solution of sodium hydroxide in order to destroy the lignocellulosic complex. However, Hanna does <u>not</u> recognize the sub-critical state recited in Claim 26. Hanna indicates <u>no</u> specific pressure ranges. Further, Hanna must use <u>the aid</u> of sodium hydroxide, and thus Hanna does <u>not</u> use the sub-critical state. In Claim 26, the sub-critical state is so intense that the resulting product can include polyphenol converted from lignin under the sub-critical state without any other aid.

Zhuang merely teaches a general acetylation of cellulose and is clearly irrelevant to the sub-critical state recited in Claim 26, and thus does not remedy the deficiency of Hanna. Therefore, the combination of the prior art references does not teach or suggest all of the features of Claim 26.

Meanwhile, there is no additional prior art to remedy the deficiencies of the cited references. Further, there is no explanation as to why the differences between the prior art and the claimed invention would have been obvious to one of ordinary skill in the art. Therefore, Applicant respectfully submits that no *prima facie* case of obviousness has been established with respect to Claim 26, and thus Claim 26 is allowable over the prior art of record.

Claims 27-28 and 30 depend from base Claim 26, and further define additional technical features of the present invention. In view of the patentability of their base claim, and in further view of their additional technical features, Applicant respectfully submits that the dependent claims are patentable over the cited prior art.

No Disclaimers or Disavowals

Although the present communication may include alterations to the application or claims, or characterizations of claim scope or referenced art, Applicant is not conceding in this application that previously pending claims are not patentable over the cited references. Rather, any alterations or characterizations are being made to facilitate expeditious prosecution of this application. Applicant reserves the right to pursue at a later date any previously pending or other broader or narrower claims that capture any subject matter supported by the present disclosure, including subject matter found to be specifically disclaimed herein or by any prior prosecution. Accordingly, reviewers of this or any parent, child or related prosecution history shall not reasonably infer that Applicant has made any disclaimers or disavowals of any subject matter supported by the present application.

CONCLUSION

In view of the terminal disclaimer, Applicant's foregoing amendments and remarks, it is respectfully submitted that the present application is in condition for allowance. Should the Examiner have any remaining concerns which might prevent the prompt allowance of the application, the Examiner is respectfully invited to contact the undersigned at the telephone number appearing below.

Respectfully submitted,

KNOBBE, MARTENS, OLSON & BEAR, LLP

Dated: 2/29/08

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